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FOR IMMEDIATE RELEASE

February 26, 2015

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SUMMARY OF FCC COMMISSIONER AJIT PAI'S ORAL STATEMENT DISSENTING FROM THE FCC'S DECISION TO ADOPT PRESIDENT OBAMA'S PLAN TO REGULATE THE INTERNET

- For twenty years, there's been a bipartisan consensus in favor of a free and open Internet—one unfettered by government regulation. So why is the FCC turning its back on Internet freedom? It is flip-flopping for one reason and one reason alone. President Obama told it to do so.
- The Commission's decision to adopt President Obama's plan marks a monumental shift toward government control of the Internet. It gives the FCC the power to micromanage virtually every aspect of how the Internet works. It's an overreach that will let a Washington bureaucracy, and not the American people, decide the future of the online world.
- One facet of that control is rate regulation. For the first time, the FCC will regulate the rates that Internet service providers may charge and will set a price of zero for certain commercial agreements.
- The Commission can also outlaw pro-consumer service plans. If you like your current service plan, you should be able to keep your current service plan. The FCC shouldn't take it away from you.
- Consumers should expect their broadband bills to go up. The plan explicitly opens the door to billions of dollars in new taxes on broadband. One estimate puts the total at \$11 billion a year.
- Consumers' broadband speeds will be slower. Compare the broadband market in the U.S. to that in Europe, where broadband is generally regulated as a public utility. Today, 82% of Americans have access to 25 Mbps broadband speeds. Only 54% of Europeans do. Moreover, in the U.S., average mobile speeds are 30% faster than they are in Western Europe.
- This plan will reduce competition and drive smaller broadband providers out of business. That's why the plan is opposed by the country's smallest private competitors and many municipal broadband providers. Monopoly rules from a monopoly era will move us toward a monopoly.
- The Internet is not broken. We do not need President Obama's plan to "fix it."
- The plan in front of us today was not formulated at the FCC through a transparent notice-and-comment rulemaking process. As *The Wall Street Journal* reports, it was developed through "an unusual, secretive effort inside the White House." Indeed, White House officials, according to the *Journal*, functioned as a "parallel version of the FCC." Their work led to the President's announcement in November of his plan for Internet regulation, a plan which "blindsided" the FCC and "swept aside . . . months of work by [Chairman] Wheeler toward a compromise."
- The plan has glaring legal flaws that are sure to keep the Commission mired in litigation for a long, long time.